

UTILITIES DIVISION[199]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to Iowa Code sections 17A.4 and 476.1, Iowa Code chapter 476C, and 2014 Iowa Acts, Senate File 2343, the Utilities Board (Board) gives notice that on August 12, 2014, the Board issued an order in Docket No. RMU-2014-0005, *In re: Renewable Energy Tax Credits*, “Order Commencing Rule Making.” The Board is noticing for public comment proposed amendments to 199 IAC 15.19 and 15.21. The proposed amendments reflect legislative changes to Iowa Code chapter 476C contained in 2014 Iowa Acts, Senate File 2343, which was signed by the Governor on May 30, 2014, and became effective July 1, 2014.

The proposed changes to 199 IAC 15.19 and 15.21 are in response to legislative changes contained in 2014 Iowa Acts, Senate File 2343. The legislation amended Iowa Code chapter 476C to extend an eligible facility’s in-service deadline by two years, from January 1, 2015, to January 1, 2017. The Board’s rules must be changed to reflect this amendment and also to extend the last year for tax credit issuance by two years, from year-end 2014 to year-end 2026.

2014 Iowa Acts, Senate File 2343, also now allows a cogeneration facility incorporated within or associated with an ethanol plant to receive tax credits for heat and power generation. The cogeneration facility is no longer limited to using natural gas as a fuel but may also use methane or landfill gas or biogas, and the facility need not reapply for tax credit eligibility approval if it switches fuels. This legislative change does not require a change to the Board’s rules.

Pursuant to Iowa Code section 17A.4(1)“a” and “b,” any interested person may file a written statement of position pertaining to the proposed amendments. The statement must be filed on or before September 23, 2014. The statement should be filed electronically through the Board’s Electronic Filing System (EFS). Instructions for making an electronic filing can be found on the EFS Web site at <http://efs.iowa.gov>. Any person who does not have access to the Internet may file comments on paper pursuant to 199 IAC 14.4(5). An original and ten copies of paper comments shall be filed. Both electronic and written filings shall comply with the format requirements in 199 IAC 2.2(2) and clearly state the author’s name and address and make specific reference to this docket. All paper communications should be directed to the Executive Secretary, Utilities Board, 1375 E. Court Avenue, Room 69, Des Moines, Iowa 50319-0069.

Because the changes to the rules merely extend the time limits for in-service and tax credit issuance by the two years provided for in 2014 Iowa Acts, Senate File 2343, a public hearing on the proposed amendments will not be scheduled. A public hearing may be requested pursuant to the procedures set forth in Iowa Code section 17A.4(1)“b.”

The Board does not find it necessary to propose a separate waiver provision in this rule making. While the Board has a general waiver provision in 199 IAC 1.3, the amendments in 2014 Iowa Acts, Senate File 2343, did not give the Board the authority to waive the statutory deadlines so no waiver provision for these rules is necessary.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 476.1 and chapter 476C and 2014 Iowa Acts, Senate File 2343.

The following amendments are proposed.

ITEM 1. Amend subparagraph **15.19(1)“f”(4)** as follows:

(4) The date the facility is expected to be placed in service; that is, placed in service on or after July 1, 2005, but before January 1, ~~2015~~ 2017, for eligibility under Iowa Code chapter 476C; and

ITEM 2. Amend rule 199—15.21(476C), introductory paragraph, as follows:

199—15.21(476C) Applications for renewable energy tax credits under Iowa Code chapter 476C. The renewable energy tax credits equal 1.5 cents per kilowatt-hour of electricity, or 44 cents per 1,000 standard cubic feet of hydrogen fuel, or \$4.50 per 1 million British thermal units of methane gas or other biogas used to generate electricity, or \$4.50 per 1 million British thermal units of heat for a commercial purpose, generated by eligible renewable energy facilities under 199—15.19(476C), which is sold or used for on-site consumption by the owners, for tax years beginning on or after July 1, 2006. For renewable energy that is sold, either the owners of an eligible facility or a designated purchaser of renewable energy from the facility may apply for renewable energy tax credits for up to ten tax years following the date the facility is placed in service. For renewable energy used for on-site consumption, the owners of an eligible facility may apply for renewable energy tax credits for up to ten tax years following the date the facility is placed in service. Renewable energy tax credits will not be issued for renewable energy sold or used for on-site consumption after December 31, ~~2024~~ 2026. For purposes of this rule, renewable energy used for on-site consumption means any renewable energy produced by the facility and not sold.

ITEM 3. Amend subparagraph **15.21(1)“a”(6)** as follows:

(6) The date that the eligible facility was placed in service (that is, between July 1, 2005, and January 1, ~~2015~~ 2017).